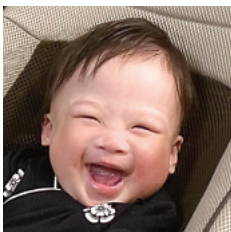


Daiwa Securities Group

SDGs Data Edition 2022





SDGs Data Edition

Reporting Period: FY2021 (April 2021 to March 2022)

* Some information on events and activities carried out prior to the beginning of or after the end of FY2021 are included.

Economic Report

Calls received at the Customer Support Center

	FY2019	FY2020	FY2021
Number of calls received (calls)	3,846	3,930	4,382
Rate of Inquiries (%)	81	89	90
Rate of Complaints (%)	19	11	10

Results of SDGs bonds (Impact Investment bonds) for retail investors

	FY2021
Daiwa Securities cumulative sales (million yen) 	810,262
Daiwa Securities' share in the Japanese market (%)	44

* Source: Daiwa Securities Co. Ltd. (From March 2008 to March 2022)

* Figures have been rounded off

SDGs bonds (Impact Investment bonds) for retail investors sold by Daiwa Securities Co. Ltd.

	FY2019	FY2020	FY2021
Number of bonds	11	20	5
Sales amount (million yen)	38,128	65,237	9,844

* Figures have been rounded off

Performance of Daiwa Securities Group's SDG related funds

	FY2021
Assets under management in Daiwa Securities Group ^{**1} (100 million yen)	4,516
Daiwa Securities sales (100 million yen)	3,664

* Source: Daiwa Securities Co. Ltd.

**1 Assets under management in Daiwa Asset Management and Global X Japan as of March 31, 2022

Daiwa Securities Living Investment Corporation Total amount of healthcare facilities acquired

(Unit: million yen)

	Total amount
Acquired facilities (As of May 31, 2022)	101,900

Management results by Daiwa Real Estate Asset Management Co. Ltd.

(Unit: million yen)

Target	Assets under management
Renewable energy power plants	85,300

Number of SDGs/ESG seminars held and participants

	FY2019	FY2020	FY2021
Number of seminars held	18	23	28
Number of participants	699	2,461	3,326

Management Report

Remuneration for Directors and Corporate Executive Officers of Daiwa Securities Group Inc. in FY2021

(1) Compensation by Type of Officer, Remuneration, and Number of Eligible Officers

Type of officer	Total amount of remuneration (millions of yen)	Total amount by type of remuneration, etc. (millions of yen)				Number paid (person)
		Basic remuneration	Restricted stocks	Performance-linked remuneration	Retirement benefits	
Directors	76	63	12	–	–	2
Corporate Executive Officer	1,284	549	202	532	–	16
Outside Directors	141	141	–	–	–	7

* The remuneration to the five Directors who also serve as the Corporate Executive Officers are stated in the column of amount paid to the Corporate Executive Officers.

* Performance-linked remuneration does not include the amount granted as Restricted Stock.

(2) Consolidated Compensation etc., by Officer

Name	Total consolidated compensation etc. (millions of yen)	Type of officer	Company name	Value of consolidated compensation etc., by type (millions of yen)			
				Base remuneration	Restricted stocks	Performance-linked remuneration	Retirement benefits
Takashi Hibino	223	Corporate executive officer	Daiwa Securities Group Inc.	69	23	83	–
			Daiwa Securities Co. Ltd.	46	–	–	–
Seiji Nakata	260	Corporate executive officer	Daiwa Securities Group Inc.	69	23	121	–
			Daiwa Securities Co. Ltd.	46	–	–	–
Toshihiro Matsui	179	Corporate executive officer	Daiwa Securities Group Inc.	61	17	75	–
			Daiwa Securities Co. Ltd.	25	–	–	–
Keiko Tashiro	132	Corporate executive officer	Daiwa Securities Group Inc.	46	13	51	–
			Daiwa Securities Co. Ltd.	20	–	–	–
Kazuo Takahashi	129	Corporate executive officer	Daiwa Securities Group Inc.	19	13	–	–
			Daiwa Securities Co. Ltd.	46	–	50	–
Kanta Komatsu	129	Corporate executive officer	Daiwa Securities Group Inc.	19	13	–	–
			Daiwa Securities Co. Ltd.	46	–	50	–
Akihiko Ogino	108	Corporate executive officer	Daiwa Securities Group Inc.	44	10	41	–
			Daiwa Securities Co. Ltd.	11	–	–	–
Shinsuke Niizuma	106	Corporate executive officer	Daiwa Securities Group Inc.	10	10	–	–
			Daiwa Securities Co. Ltd.	43	–	40	–
Atsushi Mochizuki	106	Corporate executive officer	Daiwa Securities Group Inc.	10	10	–	–
			Daiwa Securities Co. Ltd.	43	–	40	–

* The persons, each of whose total remuneration, etc., paid is equal to or more than 100 million yen, are listed above.

* Type of officer refers to the officer categories used by the reporting company.

* Officers serving as both Directors and Corporate Executive Officers are listed as Corporate Executive Officers in the type of officer column.

* Performance-linked remuneration does not include the amount granted as Restricted Stock.

Number of times each committee met

	FY2021
Nominating Committee	6 times
Audit Committee	16 times
Compensation Committee	4 times
Board of Directors	10 times
Rate of attendance at Board of Directors meetings by Outside Directors	100%

Number of reports received through whistleblowing system

(Unit: Reports)

	FY2019	FY2020	FY2021
Number of reports received through whistleblowing system	42	57	48

* No reports indicating violation of human rights, environmental pollution by Daiwa Securities Group, or other matters raising particularly serious concerns in general social norms

Taxes paid by country (FYE March 2021)

	Profit (Loss) before Income Tax ⁽¹⁾		Income Tax Accrued ⁽¹⁾		Income Tax Paid ^{1,2}	
	(billion yen)	(%)	(billion yen)	(%)	(billion yen)	(%)
Japan	118.92	83.0	32.17	89.6	16.28	75.1
United States	12.86	9.0	2.85	7.9	4.67	21.5
United Kingdom	10.04	7.0	0.16	0.5	-0.02	-0.1
Singapore	1.48	1.0	0.37	1.0	0.19	0.9
Others	-0.02	0.0	0.35	1.0	0.56	2.6
Total	143.27	100.0	35.89	100.0	21.68	100.0

¹ The data are based on Country-by-Country Report which is submitted to tax authorities in each country.

² The amount of Income Tax Paid is the taxes actually paid (on cash basis) during FYE March 2021.

Social Report

Scope of data

Consolidated: Entire Group (except for equity-method affiliates)

Seven Group companies: Daiwa Securities Group Inc., Daiwa Securities Co. Ltd., Daiwa Asset Management Co. Ltd., Daiwa Institute of Research Ltd., Daiwa Securities Business Center Co. Ltd., Daiwa Facilities Co., Ltd., and Daiwa Corporate Investment Co. Ltd

Six Group companies: Daiwa Securities Group Inc., Daiwa Securities Co. Ltd., Daiwa Asset Management Co. Ltd., Daiwa Institute of Research Ltd., Daiwa Securities Business Center Co. Ltd., and Daiwa Corporate Investment Co. Ltd

Two Group companies: Daiwa Securities Group Inc., Daiwa Securities Co. Ltd.

Employees at Daiwa Securities Group (Consolidated)

(Unit: persons)

		As of March 31, 2021			As of March 31, 2022		
		Number of employees		Number of temporary employees	Number of employees		Number of temporary employees
		Employees	FA ¹		Employees	FA ¹	
Japan	Male	7,819	40		7,646	37	
	(Career track) ²	7,292			6,991		
	(Managers)	4,132			4,149		
	Female	5,292	32		5,220	27	
	(Career track) ²	3,843			3,738		
	(Managers)	654			739		
	Japan total	13,111	72	357	12,866	64	174
	(Career track) ²	11,134			10,729		
	(Managers)	4,786			4,888		
Overseas	Male	1,245			1,323		
	(Managers)	657			733		
	Female	668			636		
	(Managers)	162			177		
	Overseas total	1,913		33	1,959		88
	(Managers)	819			910		
Total	15,024	72	390	14,825	64	262	

* The number of employees stationed overseas has been included in the "Overseas" category.

¹ Financial advisors

² Includes employees in regional and local career-track positions (without job transfers involving relocation) and specialists

Number of New Graduates Recruited by Daiwa Securities Group

(Unit: persons)

		April 2020	April 2021	April 2022
Career-track employees/regional career-track employees	Male	244	164	232
	Female	216	155	170
Total		460	319	402

* The data covers six Group companies from April 2020. From April 2021, four Group companies (Daiwa Securities Co. Ltd., Daiwa Asset Management Co. Ltd., Daiwa Institute of Research Ltd., Daiwa Securities Business Center Co. Ltd.).

Workforce Statistics

	FY2019	FY2020	FY2021
Average annual salary ¹ (ten thousand yen)	1,015	1,007	1,220
Average age (years old)	42.3	42.1	40.3
Average number of years of service (years)	15.4	14.8	15.2

*This data covers career-track employees of Daiwa Securities Group Inc. (including those who simultaneously work for Daiwa Securities Co. Ltd.). This data covers employees of Daiwa Securities Group Inc. (including those who simultaneously work for Daiwa Securities Co. Ltd.) until FY2020.

¹ Average annual salary includes bonuses and other. There is no wage gap based on gender or nationality.

Average Age

(Unit: years old)

	FY2019	FY2020	FY2021
Total	38.4	38.9	39.3
Male	39.7	40.2	40.5
Female	36.6	37.2	37.8

* This data covers Daiwa Securities Co. Ltd.

Average Number of Years of Service

(Unit: years)

	FY2019	FY2020	FY2021
Total	13.9	14.4	14.9
Male	15.5	15.9	16.3
Female	11.8	12.4	13.0

* This data covers Daiwa Securities Co. Ltd.

Employee Turnover Statistics

(Unit: %)

	FY2019	FY2020	FY2021
Total	4.4	3.6	4.2

* This data covers Daiwa Securities Co. Ltd.

Number of Employees Re-employed after Retirement Age

(Unit: persons)

	FY2019	FY2020	FY2021
Number of Employees Re-employed after Retirement Age	110	134	157

* Employees Re-employed after Retirement Age utilizing the Daiwa Master System

Employment Rate for Persons with Disabilities

(Unit: %)

	End of FY2019	End of FY2020	End of FY2021
Employment Rate for Persons with Disabilities	2.57	2.58	2.62

* This data covers Daiwa Securities Co. Ltd.

Achievements of Selected Participants in Management Training

(Unit: persons)

Daiwa Management Academy: Targeting department heads	FY2019	FY2020	FY2021
Number of people who have completed training (cumulative)	451	471	496
Daiwa Leadership Program: Targeting Executive Directors and Directors	FY2019	FY2020	FY2021
Number of people who have completed training (cumulative)	1,159	1,283	1,427

* This data covers seven Group companies.

Participants in Skill Training

	FY2019	FY2020	FY2021
Number of training courses	29	28	30
Number of implementations (times)	57	49	61
Number of people who have completed training (cumulative) ¹	17,853	22,819	29,307

* This data covers six Group companies.

¹ Number of persons who have completed instruction in enhancing skills for using system tools, discovering the essential elements of an event and conceiving of a design that spurs innovation, strengthening one's appeal by devising a story that has persuasive power and feels right, strengthening one's ability to uncover issues and think up hypotheses for solving them, strengthening one's ability to search for and acquire information from highly reliable information sources, analytical thinking that uses data analysis in decision making, financial modeling that enhances swiftness and precision, thought organizing techniques that help one collect information and attain insights, communication that is useful in global business (English), studying accounting and English simultaneously by learning to read English-language financial statements, logical thinking for solving issues, mastering principles of inheritance and business succession in order to solve issues that affect the affluent, developing intermediate companies to solve the issues of corporations, analyzing investments from the point of view of an analyst, acquiring greater self-confidence in promoting derivatives as a financial product, principles of real estate for solving the issues of the affluent, time management for increasing productivity, motivation management for achieving goals, strengthening one's ability to ask questions to ascertain needs, corporate analysis for internalizing knowledge about accounting, corporate analysis as revealed in securities filings, turning stress into strength through stress management, coaching (basic level) the other party to make independent moves, M&A for solving the issues of company owners, hospitality for winning overseas customers over, measures against human error that build a framework for preventing mistakes, PC skills for more efficient operations, strengthening one's ability to convey main points concisely to achieve greater understanding, using the OODA loop to increase actions that lead to results, and creating psychological safety to improve team morale.

Number of Persons Earning Credentials

(Unit: persons)

Credential	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022
Affiliated Financial Planner (AFP)	7,296	7,429	7,390
Certified Financial Planner (CFP®)	1,106	1,165	1,321
Certified Member Analyst of the Securities Analysts Association of Japan (CMA)	1,470	1,490	1,509
Chartered Financial Analyst (USA credential)	49	47	53
TOEIC (730-990)	1,819	1,802	1,768
Overseas MBA program, etc.	152	145	142

* This data covers seven Group companies.

Costs for Educational Investment

	FY2019	FY2020	FY2021
Cost for the Group's educational investment (100 million yen)	22	18	19
Costs for educational investment per employee (unit: million yen)	0.16	0.14	0.15
Operating income per employee (unit: million yen)	3.5	6.2	7.8

Successful Applicants in Intra-Group Job Posting System

(Unit: persons)

Held	Positions offered	No. of applicants	Successful applicants
Cumulative from FY2000	M&A, SMA consultants, analysts, internal wholesalers, compliance, dealers, derivatives, traders, fund managers, principal finance specialists, venture capitalists, money managers, research, underwriting, sale, overseas, management consultant, individual and corporate sales, product development, proposals and planning, investment advisors, trainees, etc..	1,205	187

* The data for FY2019 covers seven Group companies. The data until FY2018 covers eight companies including Sumitomo Mitsui DS Asset Management Company, Limited (the former Daiwa SB Investments Ltd.).

Number of Participants and Contents of Human Rights Education for Employees

	FY2019	FY2020	FY2021
New employees	545	311	238
(Education content)	To acquire basic knowledge concerning human rights and to understand and raise awareness of the Group's fundamental principles concerning respect for human rights		
Promoted employees	1,201	1,008	1,105
(Education content)	To acquire knowledge and raise awareness concerning human rights required for their respective positions		

Working Hours and Paid Vacation Usage Rate

	FY2019	FY2020	FY2021
Annual regular working hours (hours)	1,807.5	1,837.5	1,830
Average monthly overtime hours (hours) ¹	21.7	21.2	21.6
Paid vacation usage rate (%)	72	72	70

* This data covers two Group companies.

¹ Figures indicate employees at the two companies that are members of Daiwa Securities Group Employees' Union.

Welfare Program Usage

(Unit: persons)

		FY2019	FY2020	FY2021
Number of employees taking childcare leave ¹	Female	680	646	582
	Male	378	330	362
Number of employees taking nursing care leave	Female	10	5	6
	Male	3	3	2

* This data covers all consolidated Group companies.

¹ Employees eligible for childcare leave include non-regular employees (contract workers, part-timers, etc.).

Employees Taking Childcare Leave and Other Related Plans

		FY2019	FY2020	FY2021
Employees taking childcare leave (%)	Female	100	100	100
	Male	100	100	100
Return to work rate for those taking childcare leave (%)	Female	92	92	92
	Male	99	100	100
Women working when their children turned one year (%)		100	100	100
Short working hours system usage (persons)		505	503	520
Daycare subsidy usage (persons)		909	815	844

* This data covers Daiwa Securities Co. Ltd.

Initiatives for Work-Life Balance and Supporting Diverse Work Styles

Systems to support balancing of work and childcare/nursing care and others	
Program name	Program description
Childcare leave	Employees can take childcare leave until the day before their child's third birthday.
Childcare Support Leave	When an employee's spouse gives birth or returns to work, leave may be taken (within the first two weeks of childcare leave, the pay of the weeks is guaranteed). Since its introduction in September 2014, this benefit has been used by a total of more than 1,600 people. Daiwa Securities has set a goal of bringing the utilization rate of childcare leave by male employees up to 100% and of extending the length of that leave to 14 days or more.
Pre-childcare leave for male employees	Can be taken when the employee accompanies the spouse to a pregnancy checkup and participates in a parents' class, as well as for preparations for hospitalization, etc. before the birth. The leave is designed to nurture an awareness of participation in child rearing among male employees before the birth of a child. Since its introduction in April 2020, this benefit has been used by approximately 100 people.
Short working hours system	A system that allows employees to leave the company up to 90 minutes early until their children graduate from elementary school.
Exemption/restriction on overtime work	Exemption from overtime work is possible until the employee's children complete the third grade of elementary school. Overtime work can be limited until graduation from elementary school.
Sick/injured child care leave	Up to 5 days per child before elementary school, up to 10 days per year if the employee has 2 or more children
Daycare subsidy	The Group subsidizes the cost of child care facilities or after-school care until the employee's children reach the third grade of elementary school.
Babysitter system	Employees can use a babysitting service contracted by the company at a special rate until their children complete the third grade of elementary school. A cumulative total of more than 1,500 people have made use of this.
Support desk for employees looking for nursery schools	Offers free-of-charge services that check information on nursery school facilities, the status of availability, and other such matters on behalf of employees, thereby assisting them to find nursery schools. Since its introduction in September 2018, this service has been used a cumulative total of more than 200 times.
Job location change system	If an employee needs to relocate due to marriage, spouse job transfer, nursing care, etc., the Group will provide a work position at the new location. Since fiscal 2007, a cumulative total of more than 400 people have used this system.
Spouse work reassignment leave system	Employees can take up to 5 years of leave if their spouse is transferred overseas. A cumulative total of more than 70 people have made use of this system.
Birth gift of 2 million yen from the third child	The Group pays 2 million yen as congratulations for the birth of the third and subsequent children.
Nursing care leave	Employees can take up to four periods of nursing care leave within 3 years (1095 days) for each family member requiring care.
Nursing care time	Employees can take up to 2 hours per day of family care time within 3 years from the start of use.
Nursing care-support leave	Employees can take leave to take care of family members who need nursing care, to accompany them to a hospital, etc. or to carry out procedures on behalf of family members. Up to 5 days per year can be taken (10 days for 2 or more family members). A cumulative total of more than 2,000 people have made use of this benefit.
Nursing care travel home expense allowance	The Group subsidizes travel expenses incurred when employees return to their parents' home to provide nursing care. A cumulative total of 230 people have made use of this benefit since its introduction in April 2019.
Life Support Paid Leave	Employees can take paid vacation when it is required for injury/illness, nursing care preparation, fertility treatment, or nursing a child (up to 50 days).
Work-Life Balance phone line	The Work-Life Balance phone line provides various types of advice to employees regarding balancing work and child care/nursing care, career planning, etc.
Professional Return Plan (re-hiring of sales staff)	A system to re-employ employees who have retired due to marriage, childbirth, or nursing care, etc. with the same treatment as when they retired. A cumulative total of more than 80 people have made use of this system.
Expanded leave system	The Group has defined marriage preparation vacation; kids' ceremony vacation (for children's entrance ceremonies, etc.); family day vacation (to deepen family friendships); parents' longevity vacation (to coincide with longevity celebrations for own or spouse's parents); and volunteer vacation, and encourages employees to take paid vacation.
The telecommuting system	This has been instituted in every department, including Sales, as a means of promoting employee autonomy and improving organizational productivity.
The flextime system	Depending on the nature of its operations, a unit can choose flextime (with a required core time) or super flextime (no required core time) to improve organizational productivity.
Daiwa ELLE Plan	Regarding health issues for women who are active at various life stages, the Group provides comprehensive support including measures for the menopause; ELLE vacations (for poor physical condition during menstruation/menopause and fertility treatment); improvement of literacy such as e-learning training for managers; subsidies for specific fertility treatments; and a work-at-home system to balance work and fertility treatment.

Percentages of Female Employees and Managers in Daiwa Securities Group

(Unit: %)

	End of FY2019	End of FY2020	End of FY2021
Percentage of employees who are female (Consolidated)	40.0	40.4	40.6
Percentage of employees who are female (Daiwa Securities Co. Ltd. only)	43.9	44.0	44.2
Percentage of managers who are female (Consolidated)	11.9	13.7	15.1
Percentage of managers who are female (Daiwa Securities Co. Ltd. only)	14.5	16.3	18.3

Percentage of directors who are female

(Unit: %)

End of June 2020	End of June 2021	End of June 2022
23.1	28.6	28.6

Number of women newly appointed to directors

(Unit: persons)

	End of FY2019	End of FY2020	End of FY2021
Daiwa Securities Group Inc. (directors and corporate executive officers)	3	4	5
Group overall (directors, corporate executive officers, and executive officers)	9	9	12

Status of women newly appointed to managerial positions

	End of FY2019	End of FY2020	End of FY2021
Number of women newly appointed to managerial positions (persons)	64	83	78
Total number of those appointed to managerial positions (persons)	239	280	198
Percentage of women who are newly appointed to managerial positions (%)	26.8	29.6	39.4

* This data covers Daiwa Securities Co. Ltd.

Number of Employee Union Members

	End of FY2019	End of FY2020	End of FY2021
Number of employee union members (persons)	6,992	6,640	6,505
Ratio of employees who are employee union members (%)	62.6	58.7	56.0

* This data covers six Group companies.

Work Motivation Survey

	FY2019	FY2020	FY2021
Work	3.3	3.3	3.3
Organization	3.2	3.2	3.3
Colleagues	3.2	3.2	3.3
Growth or career advancement opportunity	3.2	3.2	3.3
Compensation	3.0	3.0	3.1

* This data covers Daiwa Securities Co. Ltd.

* Four-scale evaluation (maximum of four points)

* The results are for the period from December 2019 for FY2019, from December 2020 for FY2020, and from July 2021 for FY2021.

Expenditures for SDGs Related Activities



(Unit: thousand yen)

Type of activity	FY2019	FY2020	FY2021
1. Education and research in economics and finance **	73,261	80,546	179,126
2. Assistance to communities inside and outside of Japan through foundations and NPOs *2	174,815	253,296	217,780
3. Support for culture and the arts	614,700	124,258	485,731
4. Corporate citizenship initiatives	4,385	2,639	2,270
Total	867,162	460,739	884,907

* This data covers Daiwa Securities Group Inc. and Daiwa Securities Co. Ltd.

*1 In addition to the above, this covers Daiwa Asset Management Co. Ltd. and Daiwa Institute of Research, Ltd.

*2 In addition to the above, this covers Daiwa Next Bank.

Political Contributions

(Unit: million yen)

Type of activity	FY2019	FY2020	FY2021
Political Contributions	32	32	32

Results in Economic and Financial Education Program (number of participants)

(Unit: persons)

Program	FY2019	FY2020	FY2021
Finance Parks	21,102	1,252	14,425
	Cumulative participant numbers since initiation of support (in Sept. 2003)		171,681

* The number of participants decreased in FY2020 due to the effects of COVID-19.

* The programs in Kyoto ended in FY2020

Daiwa Securities Health Foundation's Cumulative Grants Awarded through FY2021



	Cumulative results
Number of people receiving grants	1,375
Total amount of grants (thousand yen)	1,350,400

Daiwa Securities Foundation's Cumulative Grants Awarded through FY2021



	Cumulative results
Volunteer Activities Grants (number of projects receiving grants)	4,044
Total amount of grants (thousand yen)	950,493
Grants to activities supporting children (number of projects receiving grants)	26
Total amount of grants (thousand yen)	12,500


Cumulative number of people completing the Daiwa Scholar Program of Daiwa Anglo-Japanese Foundation by FY2021



	Cumulative results
Number of people completing the Daiwa Scholar Program (cumulative)	190

Contributions by Daiwa Myanmar-Japan Foundation (cumulative)

	Cumulative results
Number of Myanmar citizens receiving scholarships (people)	30
Number of participants in public accountant training (people)	100

Donations made to the Kopernik Program 

(Unit: thousand yen)

	FY2019	FY2020	FY2021
Donation amount	2,309	2,444	413

* This data covers Daiwa Securities Co. Ltd.


Amount of grants for the Daiwa Securities Phoenix Japan Program 

	FY2019	FY2020	FY2021
Grant recipients (group)	7	4	5
Total amount of grants (thousand yen)	24,756	13,000	9,230

Donation from Support Term Deposits at Daiwa Next Bank, Ltd. 

(Unit: thousand yen)

	FY2021
Donation amount	25,555

Donation from the Global All Organisms Genome Equity Fund 

(Unit: thousand yen)


	FY2021
Donation amount	21,766

Results of Daiwa Social Contribution Wrap — Daiwa Fund Wrap with a donation service

(Unit: thousand yen)

	FY2019	FY2020	FY2021
Donation amount	10,520	3,580	43,610

* Total donated amount from customers and from Daiwa Securities Co. Ltd.

Contribution through collection drives (equivalent monetary value) 

(Unit: yen)

	FY2019	FY2020	FY2021
Used Book Sale Donation for Children's Future	121,961	37,218	247,247
Japan Committee, Vaccines for the World's Children	112,455	113,802	147,602
Live with Friends on the Earth	91,388	105,561	41,213


* This data covers nine Group companies.

TFT Program 

(Unit: school lunch)

(calendar year)	2019	2020	2021
Donations equivalent to the number of school lunches provided in developing countries (Calculated on the assumption that one meal costs ¥20)	151,688	77,554	78,299

* This data covers Daiwa Securities Group Inc., Daiwa Office Services Co., Ltd. and Group employees.

Donations for Disaster Relief 

(Unit: thousand yen)

	FY2021
Donations for disaster relief	—

* This data covers Daiwa Securities Group Inc.

Environmental Report

Scope of data

Energy consumption, GHG emissions, clean water consumption:

Domestic: Two companies, Daiwa Securities and Daiwa Institute of Research, which are required by law to report on the amount of energy consumption and the volume of CO₂ emissions. The data for Gran Tokyo North Tower and Daiwa Yaesu Building, where Daiwa Securities Group is based, includes data for Group companies other than those mentioned above. The data for outside tenants is no longer included from FY2020.

Overseas: London, New York, Hong Kong, Taipei, Singapore, Seoul, Washington D.C., Mumbai and Manila offices.

Waste: Gran Tokyo North Tower, Daiwa Yaesu Building, Toyochō Center Building, Daiwa Eitai Building, DIR Headquarters Building, and Osaka Branch Building of Daiwa Securities

Paper consumption:

Domestic: Group overall (limited to companies handled by Daiwa Office Services.)

Overseas: London, New York, Hong Kong, Taipei, Singapore, Seoul, Washington D.C., Mumbai and Manila offices.

Energy Consumption


Office	Type	Unit	FY2019	FY2020	FY2021
Japan	Electricity	thousand kWh	64,258	55,185	46,198
	(from renewable energy)	thousand kWh	–	–	9,147
	Utility gas	thousand Nm ³	273	286	320
	Heavy oil	kL	8.1	4.2	6.4
	Diesel fuel	kL	0.09	0.06	0.12
	Kerosene	kL	26.56	13.36	10.04
	Steam and cold water	GJ	1,686	792	828
	Total	GJ ¹	656,470	564,740	476,692

*1 GJ: Gigajoule (10⁹ joules). Calculated using coefficients from the Act on the Rational Use of Energy for each energy type. For utility gas, the coefficient from the Act on Promotion of Global Warming Countermeasures is used.

Office	Type	Unit	FY2019	FY2020	FY2021
Overseas	Electricity	thousand kWh	6,923	6,117	5,969
	(from renewable energy)	thousand kWh	2,262	1,919	1,848
	Utility gas	thousand Nm ³	70.3	67.3	91.6
	Cold water	GJ	215	198	173
	Total	GJ ¹	72,466	64,273	63,845

* The figures for electricity and the totals for FY2019 and FY2020 have been revised.

*1 GJ: Gigajoule (10⁹ joules). Calculated using coefficients from the Act on the Rational Use of Energy for each energy type. For utility gas, the coefficient from the Act on Promotion of Global Warming Countermeasures is used.

Office	Type	Unit	FY2019	FY2020	FY2021
Total (Japan and overseas)	Electricity	thousand kWh	71,182	61,303	52,167
	(from renewable energy)	thousand kWh	2,262	1,919	10,995
	(Proportion of renewable energy)	%	3.2	3.1	21.1
	Utility gas	thousand Nm ³	343	353	412
	Heavy oil	kL	8.1	4.2	6.4
	Diesel fuel	kL	0.09	0.06	0.12
	Kerosene	kL	26.56	13.36	10.04
	Steam and cold water	GJ	1,902	990	1,001
	 Total	GJ ¹	728,936	629,014	540,537

* The figures for electricity and the totals for FY2019 and FY2020 have been revised.

*1 GJ: Gigajoule (10⁹ joules). Calculated using coefficients from the Act on the Rational Use of Energy for each energy type. For utility gas, the coefficient from the Act on Promotion of Global Warming Countermeasures is used.

Greenhouse gas emissions

(Unit: t-CO₂)

Office	Type	FY2019	FY2020	FY2021
Japan	Electricity	27,065	22,428	16,609
	Utility gas	623	647	707
	Heavy oil	21.8	11.4	17.4
	Diesel fuel	0.22	0.16	0.31
	Kerosene	66.07	33.19	24.98
	Steam and cold water	96	45	47
	Leased cars ^{*1}	1,792	1,331	1,432
	Commuting (bus/railroad)	2,080	1,600	1,700
	Business travel	1,433	2	10
	Scope 1	711	692	749
Scope 2	27,161	22,473	16,656	
Scope 3	5,305	2,932	3,142	


*1 Leased cars: Gasoline used by leased cars.

(Unit: t-CO₂)

Office	Type	FY2019	FY2020	FY2021
Overseas	Electricity	2,705	2,255	2,124
	Utility gas	157	150	205
	Steam and cold water	12	11	10
	Business travel	575	74	179

* The figures for electricity for FY2019 and FY2020 have been revised.

(Unit: t-CO₂)

Office	Type	FY2019	FY2020	FY2021
Total (Japan and overseas)	Electricity	29,770	24,683	18,733
	Utility gas	780	797	911
	Heavy oil	21.8	11.4	17.4
	Diesel fuel	0.22	0.16	0.31
	Kerosene	66.07	33.19	24.98
	Steam and cold water	108	56	57
	Leased cars	1,792	1,331	1,432
	Commuting	2,080	1,600	1,700
	Business travel	2,008	76	189.5
	Scope 1	868	842	954
	Scope 2	29,878	24,739	18,790
	Scope 3 (Categories 6, 7, 8)	5,880	3,007	3,321
	Scope 1+2	30,747	25,581	19,744
	Scope 1+2+3	36,626	28,588	23,065

* The figures for electricity, Scope 2, Scope 1+2, and Scope 1+2+3 in FY2019 and FY2020 have been revised.

Calculation methods

Greenhouse gas emissions

We have calculated on CO₂ emissions.

Scope 1 and Scope 2

Calculations have been made in accordance with methods stipulated in the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. (Disclosed figures have been rounded off)

A) Electricity

Domestic: We use the CO₂ emission factor (basic emission factor) for each electricity supplier.**Overseas:** Figures for CO₂ are calculated using the latest figures published by the local government or electricity provider.

B) Utility gas

Domestic: After consumption is calculated as the volume of gas under normal conditions, and each supplier's CO₂ emission factor or calorific value and the emission factor specified by law are used to calculate CO₂ emissions.**Overseas:** Same calculation method as above "Japan" (calculated based on the calorific value and emission factor defined in the Act of Promotion of Global Warming Countermeasures).

C) Heavy oil, diesel fuel, kerosene

Calculated on a consumption basis.

Scope 3

Calculated using emission factors from the emission factor database for corporate GHG emissions accounting over the supply chain (Ver.3.2) and IDEAv2.3 (For calculating supply chain greenhouse gas emissions). (Disclosed figures have been rounded off)

D) Leased cars

The fuel used in leased cars used as company cars. Categorized in accordance with the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain.

E) Commuting

Calculated by multiplying commuting costs paid by Daiwa Securities to officers and employees by emission factors and attendance rate.

F) Business travel

Calculated by multiplying passenger-kilometers involved in overseas business travel (international flights) at Daiwa Securities Group Inc., DaiwaSecurities Co. Ltd. and London and Hong Kong offices by emission factors.

Greenhouse gas emissions per employee (Scope 1+Scope 2)

Office	Type	Unit	FY2019	FY2020	FY2021
Japan and overseas	Per employee	t-CO ₂	2.01	1.69	1.33
	Number of employees	persons	15,320	15,096	14,889

* Data is excluded from the scope of independent assurance. Calculated based on Scope 1 and Scope 2 CO₂ emissions in Japan and overseas and the consolidated number of employees in Japan and overseas.

* Scope 1+Scope 2 emissions have been aggregated based on the number of employees at approximately 95% of company sites.

Clean Water Consumption

(Unit: thousand m³)

Office	FY2019	FY2020	FY2021
Japan	127.4	81.5	76.3
Overseas	10.9	5.6	6.7
Total (Japan and overseas)	138.3	87.1	83.1

Waste

		FY2019	FY2020	FY2021
Paper waste	Amount generated (t)	281.3	221.2	249.2
	Disposal amount (t)	24.2	35.0	51.4
	Amount recycled (t)	257.1	186.2	197.8
	Recycling rate (%)	91.4	84.2	79.4
Non-paper waste	Amount generated (t)	247.5	148.9	159.1
	Disposal amount (t)	140.3	76.1	54.6
	Amount recycled (t)	107.2	72.8	104.5
	Recycling rate (%)	43.3	48.9	65.7
	Total amount generated (t)	528.8	370.1	408.3
	Total disposal amount (t)	164.5	111.1	106.0
	Total amount recycled (t)	364.3	259.0	302.2
	Recycling rate (%)	68.9	70.0	74.0

Paper Consumption

(Unit: t)

	FY2019	FY2020	FY2021
Japan	472.1	236.9	201.3
Overseas	28.2	7.7	5.8
Total (Japan and overseas)	500.4	244.6	207.1

Company cars in Japan (Daiwa Securities Co. Ltd.)

(Unit: vehicles)

	FY2019	FY2020	FY2021
Vehicles	1,065	1,031	1,023
of which, eco-cars	837	821	820
of which, hybrid cars	157	157	152

Cases of soil and groundwater pollution found within office sites

(Unit: Reports)

FY2019	FY2020	FY2021
0	0	0

Investment in Energy-Saving Air Conditioning Systems

(Unit: million yen)

FY2019	FY2020	FY2021
47	158	43

Environmental Accounting

Scope of data

Sales branches of Daiwa Securities Co. Ltd. and Group companies located in Gran Tokyo North Tower

Environmental Conservation Cost (Categories Corresponding to Business Activities)

(Unit: million yen)

Category	Key activity and the outcome	FY2019		FY2020		FY2021		
		Investment	Cost	Investment	Cost	Investment	Cost	
Business area cost	Global environmental conservation	Introduction and upgrading of energy-saving air conditioners	46.7		157.9		42.6	
		Power receiving and transforming facilities	24.6		25.7		217.8	
	Eco-car leasing fee		621.2		246.0		149.7	
	Resource circulation	Waste disposal costs ^{*1}		23.3		24.9		24.5
		Dissolution process costs ^{*2}		30.9		24.4		24.0
	Total	71.3	675.4	183.6	295.2	260.4	198.1	
Administration cost	Management of environmental data, etc.		2.0		2.0		2.0	
Social activity cost	Environmental conservation, etc.		2.0		2.0		2.0	
Total		71.3	679.4	183.6	299.2	260.4	202.1	

* Other important facilities are partially included.

*1 Daiwa Securities Co. Ltd. branches

*2 Gran Tokyo North Tower

Economic Benefits Associated with Environmental Conservation Activities (Actual Benefits)

(Unit: million yen)

	FY2019	FY2020	FY2021
Expense saving	13.4	114.4	66.5
Revenue (recycling, etc.)	0	0	0.0
Total	13.4	114.4	66.5

* Sales branches of Daiwa Securities Co. Ltd. and Group companies located in Gran Tokyo North Tower

Financial Capability Data

We report the deals we lead-managed by classifying them into items in an easy-to-understand way for our stakeholders in Japan in reference to the SASB Standards (FN-IB-000.A).

- ☆ **Industry Classification** ... Classified based on the Tokyo Stock Exchange's sector classification. Unlisted issuers are classified by Daiwa Securities Group Inc.
- ☆ **Scope** ... Total amount of issues for which Daiwa Securities Group served as lead manager.
For equity offerings, however, we include only the value of the Group's book-runner deals and exclude the tranches for which the Group did not serve as book runner.

(Unit: billion yen)

		IPO	PO	CB	REIT (equity)	Corporate bond	FILP agency bond	Municipal bond	Samurai bond	Bonds outside Japan (benchmark bonds)	Japan Housing Finance Agency (RMBS)
Fishery, agriculture & forestry	Fishery, agriculture & forestry			0							
Mining	Mining										
Construction	Construction	19	36	6		13					
Manufacturing	Foods	2				19					
	Textiles & apparels					10					
	Pulp & paper					14					
	Chemicals		10			57					
	Pharmaceutical										
	Oil & coal products					128					
	Rubber products										
	Glass & ceramics products		4			7					
	Iron & steel			39		12					
	Nonferrous metals					14					
	Metal products										
	Machinery					14					
	Electric appliances		96			97					
	Transportation equipment					10					
Precision instruments											
Other products			1		1						
Electric power & gas	Electric power & gas					355					
Transport, information, and communications	Land transportation					199					
	Marine transportation					17					
	Air transportation					29		10			
	Warehousing & harbor transportation services										
	Information & communication	37	37	55		489					
Trade	Wholesale trade		3			28					
	Retail trade		8			9					
Finance and insurance	Banks					86			17	596	
	Securities & commodity futures		3			59					
	Insurance		1			181					
	Other financing business	26				336				205	
Real estate	Real estate		22			38					
Services	Services	9	274			107			228		
Nonclassifiable	Real estate investment corporation				110	11					
	Public entity					359	269	619	89	2,874	223
Total		93	494	100	110	2,698	269	619	116	3,903	223

(Fiscal year-end dollar/yen rate: 122.39 yen to the dollar)


(Fiscal year-end euro/yen rate: 136.70 yen to the euro)

Independent Assurance Report



Independent Assurance Report

To the President and CEO of Daiwa Securities Group Inc.

We were engaged by Daiwa Securities Group Inc. (the “Company”) to undertake a limited assurance engagement of the social and environmental performance indicators marked with  (the “Indicators”) for the period from April 1, 2021 to March 31, 2022 included in its SDGs Data Edition 2022 (the “SDGs Data”) for the fiscal year ended March 31, 2022. Some Indicators which are subject to this assurance engagement are cumulative totals as of March 31, 2022 or figures for the period from January 1, 2021 to December 31, 2021.

The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the SDGs Data.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the SDGs Data, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the SDGs Data and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Visiting one of the Company’s domestic business sites selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the SDGs Data are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the SDGs Data.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Kazuhiko Saito, Partner, Representative Director
KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
November 10, 2022